

**ARTICLE 56: LOCAL OPTION /
ACCEPTANCE OF M.G.L. CHAPTER 203C
THE PRUDENT INVESTOR RULE**

Treasurer/Collector Julie Wayman
Town of Arlington
Annual Town Meeting
May 13, 2024

ARLINGTON'S TRUST FUNDS

- **Board of Commissioners of Trust Funds**
 - \$4.2M Town Scholarships
 - \$2.6M School Scholarships
 - \$2.0M HHS, COA
- **Cemetery Commission, \$10.5M**
- **Library board of Trustees, \$8.2M**
- Invested with Rockland Trust – using the Mass Legal List

Massachusetts Legal List of Investment Characteristics

G.L. c 167, sections 15A-15K

FIXED INCOME

&

EQUITIES

COMMON AND PREFERRED STOCKS

Industrials

- Emerson Electric Company
- Rockwell Automation
- General Electric Company

Consumer Discretionary

- McDonald's Corporation

Consumer Staples

- Coca-Cola Company
- General Mills, Inc.
- Kimberly-Clark Corporation
- PepsiCo, Inc.
- Procter & Gamble Company
- Unilever plc

Financials

- American International Group, Inc.
- Bank of America Corporation

Healthcare

- Abbott Laboratories
- Altria Group (formerly Philip Morris Companies)
- Bristol Myers Squibb Company
- Eli Lilly & Company
- Johnson & Johnson
- Merck & Co., Inc.
- Pfizer, Inc.

Information Technology

- Hewlett-Packard Company

Utilities

- Consolidated Edison
- Southern Company

PRUDENT INVESTOR RULE

What is the Prudent Investor Rule?

COMMUNITIES THAT HAVE ADOPTED PRUDENT INVESTOR

Adopted at Town Meeting/City Council

- Wrentham
- Princeton
- Orange
- North Attleboro
- Malden
- Norton
- Seekonk
- Natick
- Avon
- Kingston
- Mendon
- Duxbury

On Upcoming Warrant

- Athol
- Leicester
- Rowley
- Townsend
- Medway

Adopted through Home Rule Petition

- Brookline, 2006
- Newton, 2007
- Northampton, 2008
- Sterling, 2013
- Peabody, 2014
- Milton, 2021
- South Hadley, 2021
- Hopkinton, 2022

NEXT STEPS

- **Update investment policy**
 - (June - September, 2024)
- **Procure Investment Management Services**
 - (September -December 2024)

To see if the Town will vote to accept the provisions of Massachusetts General Laws Chapter 203C and to authorize the trustee of the town's previously established Trust Funds, as authorized by Chapter 32B, Section 20 G.L. c. 44, § 54 and G.L. c. 44, §§ 55, 55A and 55B of the General Laws, as amended, to invest and reinvest the monies in such fund in accordance with the Prudent Investor Rule established under Chapter 203C of the Massachusetts General Laws; or take any action related thereto.

